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30 APR 1980

*P. Lpts. Hqs.
Audit*

MEMORANDUM FOR: Chief, Audit Staff

VIA: Inspector General

FROM: James H. McDonald
Director of Logistics

SUBJECT: Report of Audit, Supply Division
for the period 1 November 1976 -
31 August 1979

REFERENCE: Memo for D/L from Chief, Audit Staff
dtd 29 Feb 1980, subj: same as above
(OL 0 0986)

1. The subject report contains recommendations regarding operations at the [] The following actions have been taken in response to the recommendations:

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- a. Recommendation #1: Maintain records for accountable property in conformance with the provisions of Headquarters Handbook []

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Action: The [] records for accountable property are now being maintained in conformance with Headquarters Handbook [] We will ensure that all future accountable property transactions will be recorded on material record cards and will be properly documented.

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- b. Recommendation #2: Ensure that the accountable officer receives documentation for transactions affecting non-expendable property.

Action: All branches within the Depot have been instructed to forward such transactions to the Building Supply Officer (BSO). In addition, the BSO has established a procedure to followup on all outstanding transactions.

OL 0 1606a

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- c. Recommendation#3: Record on accountable records
nonexpendable property
acquired from excess listings.

Action: All items that are acquired from excess
listings are being assigned a fair
market value. Those items priced in
excess of \$300 are being recorded on
accountable records.

- d. Recommendation #4: Advise field installations
to establish realistic delivery
dates to ensure use of the
most economical method of
transportation.

Action: The establishment of realistic delivery
dates will be addressed briefly in the
new revision of [] Supply Operations. 25X
A book dispatch will be prepared in an
effort to treat the subject more thoroughly.
A requisition priority system will be a
consideration in the Logistics Material
Management System study which is currently
underway in the office. Until such time
as the study is completed, it is not
expected that much can be done to control
delivery dates.

- e. Recommendation#5: Initiate disposal action for
excess chemicals in storage.

Action: All but approximately 150 pounds of the
excess chemicals have been identified
and packed for the next scheduled ship-
ment to [] Chief, Supply 25X
Division has prepared a memorandum for
the Director of Technical Service
requesting that OTS either provide
written identification of the remaining
chemicals or repossess them.

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f. Recommendation #6: Limit Type II recordkeeping and procedural steps to the requirements of Headquarters Handbook ☐ 25X

Recommendation #7: Ensure that all nonexpendable Agency property in depot stock is recorded on Type II records.

Action: Both items impact upon ☐ supply operations which, although converted from Type I to Type II in 1975, have remained basically unchanged. ☐ has developed an objective which addresses this issue. Headquarters will dispatch a team of qualified instructors to ☐ to assist in this regard, and it is expected that both recommendations will be implemented by the end of CY 1980. 25X 25X 25X

g. Recommendation #8: Eliminate records for expendable supplies and establish a self-service system for supplying ☐ offices. 25X

Action: Since the time factor for implementing this recommendation is not critical and the supplies in question are part of the overall supply function, this item has been included in the normal sequence of events on the action plan pertaining to the Type II project. Therefore, action should be completed by 31 December 1980.

h. Recommendation #9: Retire or destroy unneeded records as appropriate.

Action: Due to the fact that the records holdings at this installation are massive and many of them have not been purged for over ten years, this item has also been included in our MBO program. Our estimated completion date for this project is 30 June 1980. ☐ 25X

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2. This office will continue to monitor the progress of
action taken on the recommendations. Please contact the Plans
and Programs Staff, OL, extension [] if further information
is needed. []

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James H. McDonald

cc: IG

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OL/P&PS/[] (21 April 1980)

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